

A G E N D A
BOARD OF MANUFACTURED HOUSING
Department of Fire, Building and Life Safety

Date: Wednesday, March 17, 2010; 1:00 P.M.
Department of Fire, Building and Life Safety
1110 West Washington, Room 250
Phoenix, AZ 85007

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the general public that the members of the Board of Manufactured Housing will hold a regular meeting open to the public at the Board's office, at 1110 West Washington, Room 250, Phoenix, Arizona. The Board, upon a majority vote of a quorum of the members, may, when necessary, hold an Executive Session to obtain legal advice regarding any of the agenda items, pursuant to A.R.S. § 38-431.03(A)(3) and (4). The Board may also hold an Executive Session to review confidential records exempt by law from public inspection, pursuant to A.R.S. § 38-431.03(A)(2).

Those wishing to address the Board need not request permission in advance; however, the Board suggests that no more than three (3) people address the Board during the "Call to the Public" on any one issue. Pursuant to A.R.S. § 38-431.02(H), the Board can only take action on matters listed on the agenda. If appropriate, actions on public comment matters that are not listed on the agenda will be limited to directing staff to study the matter or schedule the matter for further discussion at a later date.

The agenda is subject to change up to 24 hours prior to the meeting. Please call **602-364-1062** or email Maryann.knight@dfbls.az.gov for any changes. Agenda items are noted by number and letter for convenience and reference. The Board may address the agenda items in any order within the time frame indicated, and may set over matters to a later time when necessary. The Board reserves the right to change the order of items on the agenda, except for matters set for a specific time.

Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting MaryAnn Knight at **602-364-1062** or email Maryann.knight@dfbls.az.gov. Requests should be made as early as possible to allow time to arrange the accommodation.

1:00 P.M.

- I. Call to Order (Chairman)
- II. Roll Call (Secretary)
 - a. Introduction of Gene Palma, new Director of Department of Fire, Building and Life Safety
- III. Approval of Court Reporter Transcript and Abbreviated Minutes of September 16, 2009, meeting.
- IV. Financial Report – review, discussion, and possible action – *Standing Item*
 - a. December 2009 Report as presented by the Deputy Director
 - b. Update on research into prior fiscal period for interest and educational grant payouts
 - c. Update on additional budget cut and January 2010 reduction in force by State Fire Marshal
- V. Fee Structure – review, discussion, and possible action – *Standing Item*
 - a. The Board shall establish a fee scheduled **BEFORE May 15** for the coming fiscal year
 - b. Annual update on 95/105 Percent Provision by Deputy Director
- VI. Recovery Fund – review, discussion, and possible action – *Standing Item*
 - a. Fund balance and pending claims and cash bond reconciliation update provided by Director of Compliance
 - b. Request to designate Ken Anderson, President of Arizona Housing Association, as an Interested Party on all Recovery Fund cases scheduled for hearing at the Office of Administrative Hearings
- VII. Bonding Requirements – review, discussion, and possible action – *Standing Item*
- VIII. Update on Legislative Bills presented by Director of Compliance - HB2058; HB2446; and HB2473
- IX. Licensing – Minimum test score criteria for Installer Licensee Applicants presented by Manager Licensing, Audits and Complaints
 - a. Manufactured Housing Institute's on-line comprehensive test
 - b. Internal test

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X. Call to the Public

Public Comments (Consideration and discussion of comments and complaints from the public. Those wishing to address the Board need not request permission in advance. Action taken as a result of public comments will be limited to directing staff to study the matter or scheduling the matter for further consideration and decision at a later date.)

XI. Announcements of future meeting dates and other information concerning the Board.

XII. Adjournment

**Court Reporter Transcripts
are available for your review at:**

<http://www.dfbls.az.gov/omh/board.aspx>

DRAFT

ARIZONA BOARD OF MANUFACTURED HOUSING

ABBREVIATED MINUTES

SEPTEMBER 16, 2009 BOARD MEETING

APPROVAL OF MAY 2009 BOARD MINUTES

Motion made by Chairman Wait to approve the May 2009 Court Reporter transcript and draft abbreviated minutes. Motion was seconded by Board member McGilvery and approved by Board.

FINANCIAL REPORT

Question raised by Board member Haney concerning how the education fund interest is being reported. Department of Fire, Building and Life Safety (DFBLS) staff confirmed that the interest numbers were verified internally and also reported that the recovery fund and education grant balances are not held as separate funds. Therefore, the current amount of \$25,620 is the amount available for educational grants if that balance is available in the Recovery Fund and if the Board votes to offer an educational grant.

FEE STRUCTURE

Director Barger reported that there is still a moratorium on adjusting fees.

Director Barger provided an update on the budget cuts – the first cuts which took DFBLS from \$3.6 million down to \$2.3 million which results in a reduction in force; and the current direction from the Office of the Governor's Budgeting in which we must prepare an additional 15% in budget cuts due in early October 2009 which will result in another reduction in force. The latest budget cuts will likely have major impact on the operating abilities of DFBLS.

RECOVERY FUND

Department staff provided an update on balance, outstanding claims, and revenue sources.

Director Barger provided an update on the cash bond and the verified interest that was transferred to the Recovery Fund. Questions and discussion on cash bonds, revenue stream into the Fund, and determining what amounts may be unclaimed.

DFBLS staff provided an update on HUD “warranty” of a home when a manufacturer closes its doors and confirmed that meaning simply states that DFBLS can investigate claims past the one-year state statute of limitations. The recourse for the consumer is through the bond which is held for two years following cancellation of the license/bond or through civil suit.

DFBLS Action Item: Follow-up on cash bond reconciliation

95/105 Percent Provision

Director Barger reported that we would no longer report this status on a monthly basis and; instead, would follow the statute that DFBLS provide the Board an update annually so the Board can adjust fees at its annual May meeting.

Additional discussion on budget cuts and potential special Board meeting once we know a final number on DFBLS budget cuts.

AAMHO GRANT REQUEST

DFBLS staff researched the educational fund balances and provide an update in the Financial Report as directed by Board request at the May 2009 Board meeting.

Questions and discussion on the previous calculations on interest earned and amounts of payouts. Board member Haney recalled a period of time when the balance was zero.

DFBLS Action Item: Research further back into prior fiscal periods for interest and payouts to determine actual amount available for educational grants.

Motion made by Board member DeSanctis to approve the request for \$5K. Motion was not seconded; therefore, the motion died.

CALL TO PUBLIC

Ken Anderson, Executive Director for Arizona Housing Association, addressed the Board.

DFBLS Action Item: At the request of Chairman Wait, additional agenda items will be added to future Agendas – 1) Designation of Ken Anderson as an interested Party to Recovery Fund cases’ Notice of Hearing; 2) Escrow Accounts; 3) Statutory change to allow for enforcement and prosecution in the event of fraud committed by a Dealer/Retailer; and 4) Bonding Requirements for Licensees.

NEXT BOARD MEETING DATE

Wednesday, January 20, 2010.

Dec-09

\$	321,542.43
\$	303,160.50
\$	18,381.93

PRODUCTION REPORT:		Single	Double	Triple	Quad	Five	Inspection Visits	Violations Cited
# of Homes Labeled		14	81	5	0	0	10	21
PRODUCTION TREND:		2009	2008	2007	2006	2005		
March		119	290	389	825	743		
April		108	321	354	595	711		
May		116	304	400	740	686		
June		124	254	419	762	770		
July		102	243	334	486	617		
August		118	275	397	663	750		
September		135	247	308	490	759		
October		146	251	342	522	716		
November		119	184	312	463	708		
December		100	147	241	377	676		
January		126	286	374	723	611		
February		112	281	349	739	613		
AUDITS:	With Violations	With Out Violations	Unlicensed Activity Investigations					
	Trust Account Audits	9	1	1				
	COMPLAINTS:	**Current	YTD	Prior				
	New Received	7	75	119				
	Closed/Reopened	4	13	11				
Closed for the Month		11	107	163				
					32 open/active complaints			

32 open/active complaints

Janice K. Brewer
Governor



Robert Barger
Director

DEPARTMENT OF FIRE, BUILDING AND LIFE SAFETY

1110 WEST WASHINGTON, SUITE 100
PHOENIX, ARIZONA 85007
(602) 364-1003
(602) 364-1052 FAX

OFFICE OF ADMINISTRATION * OFFICE OF MANUFACTURED HOUSING * OFFICE OF STATE FIRE MARSHAL

June 5th, 2009

TO: All Licensees

FROM: John Stahmer, Deputy Director

A handwritten signature in black ink, appearing to read "John Stahmer".

SUBJECT: Fee Schedule for the 2009-2010 Fiscal Year

The Board of Manufactured Housing met on May 20, 2009, and made no changes to the fee schedule for the 2009-2010 fiscal year. Attached, is the entire fee schedule for the 2009-2010 fiscal year.

The fees take effect July 1, 2009.

F E E S C H E D U L E

Manufacturers:

		<u>Renewals</u>	<u>New License</u>
M-9A	Manufacturer of Factory-Built Buildings and FBB Subassemblies	\$ 420.00	\$ 840.00
M-9C	Manufacturer of Manufactured Homes	420.00	840.00
M-9E	Master Manufacturer	660.00	1,320.00

Dealers:

D-8	Retailer of Manufactured Homes or Mobile Homes	270.00	540.00
D-8B	Broker of Manufactured Homes or Mobile Homes	210.00	420.00
D-10	Retailer of Factory-Built Buildings and FBB Subassemblies	270.00	540.00
D-12	Master Retailer	420.00	840.00

Installers:

I-10C	General Installer of Manufactured Homes, Mobile Homes, or Residential, Single-Family, Factory-Built Buildings	210.00	420.00
I-10D	Installer of Accessory Structures attached to Manufactured Homes, Mobile Homes, or Residential, Single-Family, Factory-Built Buildings	210.00	420.00
I-10G	Master Installer of Manufactured Homes, Mobile Homes or Residential, Single-Family, Factory-Built Buildings	360.00	720.00

Salespersons:

100.00	200.00
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Insignia Fees:

Factory-Built Building Insignias	50.00
Subassembly Insignia	10.00

Inspection and Technical Service Fees:

*Plant Inspection	50.00 per hour plus mileage
Installation Inspection	80.00 per hour plus mileage
Technical Service Fee	80.00 per hour

Plan and Supplement Approval Fees:

Plan Submittal	30.00 each
Plan Review	100.00 per hour

Installation Permits and Insignia Fees:

Manufactured Housing Permit	Up to 200.00
*Factory-Built Building Permit – Residential systems	up to \$600.00 per story including
Commercial systems	up to \$4.00 per lineal foot per story including
*Manufactured Housing & Factory-Built Building Renewal Permit	80.00
*Special Use Permit good for only 45 days from date of purchase	65.00
Installation Insignia	10.00
Inspections Required in addition to Permit	80.00 per hour plus mileage

Administrative Function Fees:

1. Changing name of license	10.00
2. Changing name of license location	10.00
3. Adding branch location	10.00
4. Deleting branch location	10.00
5. Reinstatement of bond	10.00
6. Changing licensee's telephone number	10.00
7. Processing returned checks	10.00
8. Inactive status (change)	10.00
9. Books	2.00
10. Copies	.50 each
11. *All refunds subject to administrative fee of	60.00

Mobile Home rehabilitation Permit, Insignia of Approval, Inspection Fee, and Waiver Fee:

1. Permit Fee	100.00
2. Insignia Fee	2.00
3. Waiver Fee	7.00
4. Inspection Fee	80.00 per hour

Fees charged by the Office are not included in Rule, and are exempt from the State Rule procedures (A.R.S. § 41-2144(C)).